GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:658
ANSWERED ON:10.05.2002
FII`S IN DERIVATIVE PRODUCTS
SADASHIVRAO DADOBA MANDLIK

Will the Minister of FINANCE be pleased to state:

(a) whether RBI has allowed FII`s to trade in all derivative products;

(b) if so, the details thereof;

(c) whether FII`s were earlier restricted from trading in all derivative products in the stock exchanges;

(d) if so, the reasons for reversal of the policy;

(e) whether increase of limits in trading in derivatives by FII`s are likely to increase the volatility of the Indian Stock Market; and

(f) if so, the safeguards adopted by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) to (f): A statement is laid on the table of the House.